

## **Understanding the Customer**

## **Research Brief**

#### **Making Tax Digital for Individuals (MTDi)**

**Participatory design/ Co-design with individual customers**

**10th May 2016**

**Background, previous research, additional reading**

The government is committed to reducing burdens for taxpayers and building a transparent and accessible tax system fit for the digital age. At the March 2015 Budget, the government set out the vision for a transformed tax system and the end of the tax return.

More than two million small businesses are already using HMRC digital accounts, and digital accounts for individual taxpayers have been introduced this year. In 2016, every individual and small business will have access to their own secure digital tax account, like an online bank account, that enables them to interact with HMRC digitally.

HMRC Process Transformation has been set up to play a leading role in driving radical transformation across HMRC. The work will incorporate radically re-designing HMRC’s processes to become more customer focussed, intelligence led and digitally enabled.

It will also personalise services and design around customers’ needs in order to maximise the revenue we bring in; grow compliance and make it easier for customers to get it right. Over the next four years we will create one of the most digitally advanced tax systems in the world.

We need to support HMRC Process Transformation in achieving its aims by understanding the needs, experiences and behaviours of our individual customers and using this insight, to design and develop processes to support HMRC’s Making Tax Digital.

Making Tax Digital will help taxpayers get their tax affairs right first time.

Currently taxpayers find themselves having to report on information which HMRC already knows. This is inefficient both for tax payers and HMRC. It also means mistakes are made and tax revenue is lost.

**Making Tax Digital for Individuals (MTD)**

HMRC's vision is for a personalised service designed around our customers’ specific needs, built on digital tax accounts and making better use of data (including the data HMRC already holds). MTD will transform HMRC's interaction with customers, growing voluntary compliance through the use of digital tools.

The government is investing to transform HMRC into one of the most digitally advanced tax authorities in the world.

The core elements of MTD are premised on ensuring that through the **digital account** (currently known as the Personal Tax Account – PTA) customers have a **single picture** of their taxes.

Customers will be able to see their tax information in **real time** which will be made possible by using third party information to pre-populate their digital account.

**Digital Tax Account (Personal Tax Account)**

By April 2016, every individual taxpayer will have access to their own digital account — simple, personalised and secure, offering an increasing range of services. By 2020, HMRC aims to be interacting digitally with all taxpayers. By that time, the full range of tax and Child Benefit services will be available for all taxpayers to use, accessible from a wide range of devices and protected by the very latest technology to encrypt data and keep it safe.

HMRC will automatically target prompts and advice through secure messaging in the accounts, tailored to taxpayers’ specific needs and circumstances for example when someone has a baby, or approaches retirement. Digital support will be there for those who need it, as HMRC builds on the successful online services it already operates through Twitter, YouTube, webinars and web chats.

**Real Time Information**

Despite the vast majority of employers now operating PAYE in real time, the final tax position for the employee or pensioner is only reconciled after the end of the tax year.

Millions of taxpayers in PAYE find after the end of the year they have paid too much or too little which they find both frustrating and time-consuming to resolve (also commonly known as an under or overpayment of tax).

HMRC has already started using real-time PAYE data to reduce end-of-year under and overpayments, by changing tax codes in-year. From 2017, HMRC will further develop its use of real-time data to include checking income, benefits-in-kind from an employer (e.g. use of assets, medical benefit, accommodation, company car, loans) and personal allowances each month to make tax code adjustments that will help avoid under and overpayments altogether.

This will be of particular benefit to taxpayers with more than one job or those with low or fluctuating income/s, many of whom contact HMRC regularly to change how their personal allowances are shared between jobs and pensions to prevent overpayments of tax. In the future, they will be able to see these adjustments clearly in their digital tax account and choose how their personal allowances are allocated.

Millions of individual taxpayers, those for who PAYE cannot collect the tax due, who report additional income or gains or claim particular reliefs - currently give information on annual tax returns and those with additional tax liabilities pay up to ten months after the tax year to which the information relates. The time lag for reporting increases the risk of customer error and the annual deadline creates a large peak of customer contact to HMRC seeking help with their return. In the future, information to establish a taxpayer’s liability will be pre-populated as far as possible and taxpayers will be able to update their information and report or make claims in real time. They will be able to manage their tax affairs through the year so as not to face an annual tax bill.

**Using information HMRC holds already or can access; third Party Information and updating Digital Tax Account**

Many taxpayers report information to HMRC on tax returns that HMRC either already holds or can access. Taxpayers should not have to give HMRC information that it already has or is able to get from elsewhere – for instance from employers, banks, building societies and other government departments. Taxpayers will see this information in their digital accounts and will be able to check that their details are complete and correct at any time.

Those with more than one source of income collected through PAYE will see an up-to-date picture of their tax affairs, showing all of the information received by HMRC from their employer, and how each income source affects their tax calculation. For example, someone with two part-time jobs will be able to take control of how their personal allowance is split between each of them, in order to pay the right tax in-year.

HMRC will be able to use its PAYE information together with real-time information from third parties to ensure that any tax due from other sources of income does not build up. Tax arising on additional income that is small or regular will be collected through in-year adjustments to tax codes.

Note: The responsibility for ensuring that their tax bills are right will remain with the taxpayer.

**Tax all in one place**

At present, many taxpayers have to contact different parts of HMRC to find out their financial position relating to different taxes and/or benefit entitlements. A taxpayer may pay income tax, make National Insurance contributions or student loan repayments and receive Child Benefit; some people run a business as well as being an employee or having a pension. The modern, digital tax system will give all of these taxpayers a single, personalised view of their overall tax position across all of their liabilities.

This overview will make it much easier for taxpayers, and their tax agent (if they have one), to see the payments they have made to HMRC. Those who need to pay HMRC will be able to do so through their digital tax account.

Where they need to pay more than one liability, they will be able to make a single payment — setting off any tax owed on one liability against an overpayment on another. It will feel like paying a single tax.

**Note: Those taxpayers with a secondary income from self-employment or income from property of under £10,000, will not be mandated to report it in the same way as business customers will but HMRC will look to encourage regular updating of their account.**

The Roadmap for the delivery of MTD was published on 14th December 2015: <https://www.gov.uk/government/publications/making-tax-digital>.

It provides a high level outline of how taxpayers’ experience of dealing with HMRC will develop between early 2016 and 2020.

It also sets out the timeline for public consultations which will aid the development of the detail of the changes.

**Existing evidence, planned consultation and other, ongoing primary research**

Existing assessments of customer engagement to date have been able to draw on HMRC insight on overarching and high level principles relevant to MTD.

We know that individuals really worry about getting their taxes right. MTD will help people have much greater certainly about they owe, allowing them to plan more effectively, seeing their tax affairs in one place and interacting with HMRC more easily.

**Desk Research**

We have completed desk research to synthesise existing evidence based on the main MTDi design issues (pre-population, use of third party information, more regular payment and reporting) and a summary of existing evidence in this area will be provided to the successful supplier to inform their thinking around the design of stimulus materials for the co-design sessions.

The publication of the MTD Roadmap, and recent research around MTD proposals has helped us to identify some areas of concern for our individual customers. We will be using these findings and views to gain a more comprehensive understanding of the **impact** of MTDi on customers, and how MTDi can be best designed to achieve its desired aims to improve both compliance and customer experience.

**Public Consultation**

Detailed consultation is planned from April to June 2016 and stakeholder consultations will already be underway for specific elements of the Roadmap.

**Primary Research – Digital Customer Segmentation**

The Digital Customer Segmentation will be focussed on 1) customer propensity to use digital services and 2) likelihood to need support.

It will help HMRC understand where different types of customer (based on their demographic characteristics, life stage, types of (potential) interaction with HMRC etc.) feature on this scale, from likely to use digital services by default in all/most circumstances, to unlikely in all/most circumstances.

**Primary Research** **– Personal Tax Account (PTA)**

Currently the Personal Tax Account is a collection of existing HMRC Digital Services such as viewing income and personal details and providing links to tax forms that may be useful to a range of customers. There is no functionality to make payments, view contact history or do things that will have an impact on income or tax.

The PTA research will help to understand which features the account requires to appeal to individuals and help inform the order in which HMRC should bring services into the account, how to coherently package them together, and which customer groups they will be more relevant to.

This research will identify the elements of the Personal Account that have the most value to customers and will encourage customers to use and stay in the digital channel. Early findings from the qualitative phase will be shared with the successful supplier.

**Primary Research** **– Digital Contact Channel Research**

A new contact platform (NCP) has been installed across HMRC’s Customer Service Centres *(formerly known as Contact Centres)* which has capabilities that previous Contact Centres did not. The NCP enables Customer Service Centre advisers to interact with customers not just by phone but through a number of digital contact channels such as: SMS, Secure Messaging, Co-browsing, Web chat and HMRC’s Virtual Assistant. PT Operations are keen to start exploiting these digital contact channels, particularly if this migrates contact away from the telephone.

Currently the plan is to incorporate both Web chat and secure messaging into the Personal Tax Account (PTA).

Web chat will be a channel for customers to obtain online help from an HMRC adviser.

Secure messaging will allow HMRC to send personal information to its customers - the customer will receive an email alert advising that there is a message waiting in his/her account.

There are no formal plans at present to include Virtual Assistant or co-browsing in the PTA but these are possible add-ons to the Web chat service.

SMS functionality sits outside the PTA but could be used in conjunction with PTA services, e.g. TC customer receives SMS reminder to renew claim which customer then does by logging into PTA.

The research will be used to prioritise how HMRC digital projects deploy support tools to individual customers who need support. Early findings from the qualitative phase will be shared with the successful supplier.

**Primary Research: Making Tax Digital for Businesses (MTDb)**

The focus of this research is explore the reactions of small businesses and Agents to the core elements of Making Tax Digital for Business (MTDb) as well as to understand their anticipated response to this new way of engaging with HMRC and meeting their tax obligations.

Insight from this research will be used to identify specific areas suitable for co-design for this brief, and together, these will form a bigger piece of customer insight on Making Tax Digital. The findings will be shared with the successful supplier.

**Primary Research: Making Tax Digital for Individuals (MTDi)**

**Initial Reactions to the Concept**

We already know from the *Making Tax Digital for Individuals (MTDi)* primary research that customers’ initial reactions to the concept of Making Tax Digital was broadly positive and most see MTDi as a natural service progression for HMRC as many services, both public and private, are going digital.

**Expectations**

At this level of consideration, customers drew parallels with commercial digital services and customers’ unprompted top-of-mind associations with MTDi were based on experiences of online banking and they anticipated that MTDi will function as an online bank account and that they will be able to see everything in one place.

**Questions and Concerns**

As customers begin to consider how a digital tax service might work in action they begin to have anxieties about their likely customer experience under a digital approach which prompts questions and concerns around general issues like data security; customer error; increased workload, and a lack of need for those with ‘simple’ tax affairs.

As customers learn more, there are **specific aspects** of MTDi that raise concerns e.g. *Using information that HMRC has already or can get from elsewhere.* This can cause anxiety around the sources of data that might be used; HMRC’s aims in collating this data; responsibility for authenticating or ‘checking’ data, and so on.

**The focus of this Research Brief** is to:

Refine, co-design and test approaches to implementing MTD, with customers and representatives (from HMRC stakeholder forums for individuals) – in particular:

* Refining proposed approaches within Making Tax Digital with customers
* Co-designing processes (solutions) to influence specific aspects of the design from the customer perspective
* Testing design proposals within MTD with customers

**Overarching business objective/need**

The overarching business objective for Making Tax Digital (MTD) is:

* **To drive radical process transformation across HMRC – making the tax system more effective, more efficient and easier for customers**

The aim is to influence the design of MTD through research and co-design with external customers, providing insight to:

* ensure the new service meets the needs of individual customers and is useable
* ensure the new service provides a positive experience for individual customers
* drive ‘engagement with’ and ‘use of’ the new service amongst individual customers
* drive voluntary compliance with the regulations of the new service amongst individual customers
* deter non-compliance with the regulations of the new service amongst individual customers

**Proposed Methodology**

**Methodology and stimulus**

*Co-design is an approach to design attempting to actively involve all stakeholders (e.g. employees, partners, customers, citizens, end users) in the design process to help ensure the result meets their needs and is*[*usable*](https://en.wikipedia.org/wiki/Usability).

With this in mind, HMRC would like to actively involve individual customers, stakeholders (from forums who represent individual customers) and HMRC staff in the design process for this new service.

We appreciate there may be some repetition from the primary research in helping customers to understand the concept of MTD and the various strands within it but the aim is to build on what has already been learnt, not repeat it.

To help alleviate this, a re-contact question was asked in the primary research *Making Tax Digital for Individuals (MTDi)* to enable the same participants to be reconvened so the concept is at least familiar to them. (We do appreciate this is only possible if they are still willing and able to take part in the Co-design sessions).

Please bear this in mind when thinking about the approach and stimulus development.

The method proposed will be collaborative and innovative. Your expertise will be essential here, and we do not wish to be overly prescriptive in defining the Co-design methodology. We expect to work collaboratively with you following the appointment to further develop and agree the best approach to the work and to develop stimulus to help describe the MTDi propositions and options under discussion in a way that customers can understand.

The design must ensure a range of views are explored from across the Individuals customer base (not businesses).

We would like theco-design sessions to explore the following specific elements of the MTD Roadmap, with the relevant customer groups affected by the proposals:

·  **Pre-populating accounts with information already held by HMRC**

* **All customers**

*Desired outcome - to understand and demonstrate a process of how external customers will deal with data disputes, i.e. if they do not agree with information pre-populated into their digital account.*

Areas to explore:

Whose responsibility should it be to authenticate the data - the customer / the third party / HMRC?

Do customers expect that they should confirm the data relates to them and is correct?

What is a customer’s expectation of accuracy – 100% every time?

What happens if it’s less than 100% every time? When is the trust gone?

How important is this depending on tax product PAYE/SA and frequency of interaction?  
What will happen if they notice the data is wrong?

Who is responsible for changing this data?  
How would customers feel about interacting with third parties to resolve any queries they have on the information displayed in their digital account?

Customer will remain legally accountable for ensuring the data HMRC uses is correct, how do they feel about that?   
What impact will this have on customers? What do they think this means for them?

Explore reactions to and possible impacts (burden) of the potential for data disputes; such as dealing with third parties.  
What are likely expectations around HMRC’s role? Would they expect HMRC to provide information?

Would they expect HMRC to act as arbitrators/ a point of escalation?

What are customer expectations on how HMRC will handle debt collection/penalties while disputes are being resolved?

If it is established that the information in their digital tax account is incorrect how do customers think this will be rectified e.g. the third party provides correct information or do they want to provide it to HMRC?

**Updating accounts**

* **Customer group - PAYE income and secondary income under £10k from self-employment or income from property**

*Desired outcome - to demonstrate how likely this group are to make regular voluntary updates and design a way of encouraging them to report in the same way as business customers.*

*Desired outcome - for customers going over the £10k threshold to design a process that moves them from voluntary to mandatory updates and use of software.*

*Desired outcome – to design a way of engaging customers meaningfully from day one of them receiving secondary income from self-employment or income from property.*

Areas to explore:

How will customers know what they have to do?

What kind of support would they expect especially if they are transitioning into mandatory arrangements?   
What are the barriers and levers to doing this?   
How might these be overcome?   
Do they think that this will increase or decrease their propensity to use an agent?

What contact would customers opt for, what options re notifications would be welcomed and needed (frequency and type of changes)?  
What are customer expectations of how HMRC will use the information reported?  
How do we raise awareness/understanding of what should be declared as income?

How can we get customers to make the connection between “hobby” and “business” and make sure they are aware of the **trading and property income allowance of £1000?**

* **Customer group - Low Income Transient Self-Employed (LITSE) - mixture of PAYE, SE and Tax Credits/Universal Credits with a total turnover under £10k**

*Desired outcome - to demonstrate that these customers understand what income they need to declare, when and how to declare it.*

Areas to explore:

How can we ensure customers are aware that “ad-hoc” earnings should be declared?

What income, expenses and benefits do they think they need to report/claim?

How will customers know what they have to do?   
What are the barriers and levers to doing this?   
How might these be overcome?   
Do they think that this will increase or decrease their propensity to use an agent?

What method of contact would customers opt for, what options re notifications would be welcomed and needed (frequency and type of changes)?

* **All Customers**

*Desired outcome - to demonstrate how quickly they need/expect their account to be updated once they have sent us information.*

Areas to explore:

Claiming employment expenses, i.e. mileage, professional subscriptions – how regularly do they think they are likely to claim these within their digital tax account?

How quickly do they expect their account to be updated?

How will customers know what they have to do?   
What are the barriers and levers to doing this?   
How might these be overcome?   
Do they think that this will increase or decrease their propensity to use an agent?  
What method of contact would customers opt for, what options re notifications would be welcomed and needed (frequency and type of changes)?  
What are customer expectations around reconciliation of information reported?

**Sampling and target audiences**

We asked a re-contact question in Phase 1 of this research and we would like to include those participants in this sample.

However, we expect the winning agency to free-find any additional sample for this work - please advise on any particular challenges associated with this.

**1. The majority of Individual customers – employees and pensioners who have income taxed via Pay As You Earn (PAYE only)** – tax is deducted through their employer’s operation of PAYE and therefore will be less directly or immediately affected by the MTD proposals. However there will be some individuals who have more interaction with HMRC, for example:

* individuals with multiple employments,
* those who regularly change employment
* individuals with Benefits in Kind (to include
* individuals who claim expenses <£2500

**2. Individual customers who pay income tax via Pay Self Assessment (SA) and PAYE**

As an example these can be split up into the following two groups:

* Those employees and pensioners with a secondary source of income of less than £10,000 via income from property or self-employment. These customers will not be subject to the same requirements as businesses for reporting quarterly and using 3rd party software, but will be able to (and encouraged) to update HMRC regularly on their income through their digital account. This would enable HMRC to provide these individuals with the information they need to budget for tax on their income and their account will mean they will be able to better keep their tax position up to date
* Those employees and pensioners who complete self-assessment tax returns for the following reasons
* Pensioners where there is no or insufficient PAYE income to deduct tax due on state retirement pension
* PAYE employees pensioners with income > £100,000 per annum
* PAYE employees or pensioners with investment income > £10,000 per annum
* PAYE employees claiming expenses >£2500

The sample needs to cover a mix of digital capability, including those who have lower digital engagement. A particular engagement challenge is likely to be amongst those customers more likely to be affected by the requirements, who are digitally excluded or who may require support to move to new ways of working.

Overall the sample should include a good spread of demographics, including age, gender, socio-economic group and ethnicity. The desire would be to have a good geographical spread across the UK (to include the four tax regions, England, Wales, Scotland and N. Ireland) but we appreciate this may not be appropriate for a Co-design methodology.

**Other issues that may have an impact on this project**

**Purdah** is the pre-election period in the [United Kingdom](http://kingdom), specifically the time between an announced election and the final election results. The time period prevents central and [local government](http://government) from making announcements about any new or controversial government initiatives (such as modernisation initiatives or administrative and legislative changes) which could be seen to be advantageous to any candidates or parties in the forthcoming election.

During all periods of purdah, the guiding principle is that civil servants should not do anything during these periods that may have, or be seen to have, a direct bearing on the poll in question (and this includes research).

**Purdah dates in 2016:**

* Scotland: from 24th March until 5th May
* Northern Ireland: from 29th March until 5th May
* Wales: from 6th April until 5th May
* Local councils in England: from 14th April until 5th May
* EU referendum, UK wide: May 27th to June 23rd

In *Our Project Timeline* we have deliberately avoided any fieldwork during the overall Purdah period.

However we will still need to recruit customers to take part in the co-design sessions during the EU referendum purdah period in order for us to meet internal deadlines around feeding into the ongoing ‘Design Bursts’, customer journey work etc.

We have been given clearance from the Government Social Research (GSR) Head of Profession to proceed with recruitment during the EU referendum purdah period but have been asked to avoid recruiting customers during the week commencing Monday 20th June to Thursday 23rd June (inclusive).

**What we need from you – The Deliverables**

**The Proposal**

The **proposal** submitted should include:

* Understanding of the research brief
* Timetable
* Personnel, including background and experience
* Whether any part of the project will be subcontracted, and if so to whom

# The proposal should specify who will be responsible for delivering this project and should provide detail of the input into the project that will be provided by each named person.

Please let us know on receipt of this brief whether you think there will be any conflict of interest in your submitting a proposal.

For **each Co-design session,** the following deliverables will be required but we appreciate this will be discussed and agreed on ‘a session by session’ basis. The following list is only to inform your thinking around costing for each session/ set of sessions.

* A face to face, kick-off meeting with the supplier and the main stakeholders before each ‘phase’ of sessions begin (to be discussed and agreed with the successful supplier)
* Detailed implementation plan and timetable for each phase of Co-design sessions
* Regular updates (frequency to be determined at the kick-off meeting) to the HMRC project team throughout the life of the work
* \*One face to face presentation to the internal project team and wider HMRC stakeholder group for each ‘phase’ of sessions (to be discussed and agreed with the successful supplier). \*Assume HM Revenue and Customs Offices at 100 Parliament Street, Westminster, unless otherwise indicated.
* A full written report in Power Point or other format to be approved in advance, documenting all analysis, findings and insights in an engaging manner and with clear recommendations for further action (appropriate length to be agreed), to include a standalone five-eight page executive summary of the research incorporating the key findings and any insights, which can be circulated to stakeholders for each ‘phase’ of sessions.
* A one page standalone summary including key findings and any insights which can be circulated to stakeholders and published on our internal Customer Zone for each ‘phase’ of sessions.
* In addition, as part of our publication process, we require a publishable version of the findings to feature on GOV.UK. This report will need to include all the key findings of the Co-design sessions, and should be reasonably short (approx. eight to ten pages in Word). A standard template and guidance will be provided.
* A visual showing the co-designed journey elements from a customer perspective (TBC).

HMRC will require draft copies of all key documents, such as draft questions, stimulus, presentation charts and summary reports. These are to be submitted in sufficient time for comments to be incorporated into the final version and for our approval to be given for production of the final version to take place.

**Assessment Criteria**

Your proposal will be assessed against cost and quality: 40% of the marks available will be allocated to the cost of the proposal, and 60% to the quality of a proposal.

The lowest cost bid will receive full 40% of the marks. Scores for other bids will be applied proportionately, relative to their difference from the lowest cost bid. The 60% for quality is split into five sub-criteria. We award a score of 0 to 5 for each quality criteria; you must score **3 or above (out of 5)** to remain in the tendering process. Each criteria has been given a weighting.

The following criteria will be used to evaluate your proposals for this specification:

* **Quality Criteria 1** (Weighting 20%): **Understanding the objectives of the immediate work and wider context** **it sits within**
* **Quality Criteria 2** (Weighting 20%): **Level of expertise, experience and skills to carry out Participatory Design or Co-design**
* **Quality Criteria 3** (Weighting 20%): **Demonstration of a range of suitable methods and/or techniques to complete the overall work**
* **Quality Criteria 4** (Weighting 20%): **Definition of how the overall work will be managed (e.g. whether it needs to be broken down into phases) and who is responsible at each stage in the process**
* **Quality Criteria 5** (Weighting 20%): **Level of expertise, experience and skills in delivering presentations, discussing findings and accepting or debating challenge at senior executive level**

The scoring key below will be used when assessing your proposal.

|  |  |
| --- | --- |
| **Score** | **‘Open’ Question Criteria** |
| 5 | The response is excellent and completely relevant. The response is comprehensive, unambiguous and demonstrates an excellent understanding of, and meets, the requirements in all aspects, with no clarification required. The response is well thought out and/or provides   * highly credible examples; * benefits; or * Innovation. |
| 4 | The response is good and highly relevant. The response indicates a good understanding of the requirements and provides sufficient detail across all areas. The response demonstrates how the requirements will be met in the main, which may require minor clarification only. |
| 3 | The response is satisfactory and relevant. The response indicates a satisfactory understanding of the requirements in most aspects, although may lack detail in certain areas. The response suggests that the requirements would be met satisfactorily, but may require some clarification. |
| 2 | The response is limited and partially relevant. The response indicates partial understanding of the requirement. The response contains ambiguities which suggests that the requirements would not be met unless significant revisions were made to the proposal. |
| 1 | The response is poor and only partially relevant. The response addresses some aspects of the requirements but contains insufficient/limited detail or explanation. The response demonstrates only limited understanding of the requirement. The response contains deficiencies which suggest the requirements would not be met. |
| 0 | The response is not considered relevant. The response is unconvincing, flawed or otherwise unacceptable. Response fails to demonstrate an understanding of the requirement. |

**Our project timeline**

The timings given below are estimates to inform your thinking:

|  |  |  |
| --- | --- | --- |
| **ACTION REQUIRED** | **DATES** | **RESPONSIBILE** |
| Research Brief sent to TNS BMRB and Policy Lab | Tuesday 10th May 1pm |  |
| Proposals received from TNS BMRB and Policy Lab | Tuesday 17th May 1pm |  |
| Review proposals received from TNS BMRB and Policy Lab | Wed 18th to \*Mon 23rd May |  |
| Face to Face Presentations: TNS BMRB and Policy Lab | Tuesday 24th May |  |
| Supplier/Agency appointed | Wednesday 25th May |  |
| Supplier/Agency, face to face briefing meeting | Thursday 26th May |  |
| Materials development & approval (e.g. stimulus to be designed from the findings of the *Exploring individual customers’ engagement with MTD* research and **any responses from the formal consultation/s**) | Friday 27th May to Thurs 23rd June |  |
| Recruitment of external customers (re-contact and/or additional free find) | WC \*30th May to Saturday 18th June (No recruitment from Monday 20th to Thursday 23rd June inclusive) |  |
| \*Co-design sessions with external customers | Monday 27th June onwards |  |
| \*\*Analysis | WC 11th July |  |
| \*\*Draft Final Report | WC 18th July |  |
| **\*\*F2F Presentation to internal project team and wider stakeholder group** | **WC 25th July** |  |
| **\*\*Full Final Report** | **WC 25th July** |  |
| \*\*Draft Publication Report | WC 1st August |  |
| \*\*Final Publication Report | WC 8th August |  |

\*Please note: Only two co-design sessions have been mentioned here but this is not fixed and completely open to direction and advisement.

The deliverables marked by two asterisks (\*\*) are only to inform your thinking around our expectations and your approach to costing the work but they are not ‘set in stone’ and we expect to discuss and agree the appropriateness of the deliverables based on each individual and/or ‘phase’ of co-design session/s with the successful supplier.

We envisage working collaboratively with the successful supplier to better understand the priorities for co-design (as they unfold and are informed by the findings of the primary research and the formal consultations) and when the findings are needed to feed in to future Design Bursts, Customer Journey work etc.

We also imagine an organic process where time is allowed between each individual session or ‘phase’ of sessions to enable reflection and a foundation to build on, for successive co-design sessions.

**Budget**

We are not able to disclose exact budget information. Please provide a cost for the project design set out above and set out alternatives if you feel these would better meet the research objectives.

We have provided the following table to give you a rough idea of the budget on this particular project. We are not able to provide any further detail and the exact budget could fall at any point inside the range selected.

|  |  |
| --- | --- |
| **Budget Banding** | |
| * 1. £0 - £9,999 ☐ | * 1. £10,000 - £24,999 ☐ |
| * 1. £25,000 - £49,999 ☐ | * 1. £50,000 - £69,999 ☒ |
| * 1. £70,000 - £149,999 ☐ | * 1. £150,000 - £249,000 ☐ |
| * 1. £250,000+ ☐ |  |

Costs must include travel and other expenses, broken down separately. Costs should include all fees and expenses but exclude VAT.

Please be aware this budget must cover all potential co-design sessions from now until the end of August 2016.

***General Terms and conditions***

On receipt of a satisfactory proposal, the successful research agency will be awarded a fixed price contract for the project. The Standard Conditions of Contract governing research commissions are laid down by the MR130001 framework agreement and are not negotiable. HMRC observes the general practice of paying only for work satisfactorily completed. All work should comply with the Code of Conduct of the Market Research Society. The Standard Conditions of Contract are available on request.

Payment terms have been negotiated to split as follows on most projects (however there will always be exceptions – which we will do our best to cater for)

30% on commission

30% on fieldwork commencement

40% on completion

When costing proposals it would be helpful to ensure we can see these key stages clearly.

Some key elements of our standard terms are below:

***Contractual obligations***

As a result of government policy to achieve greater transparency in public procurement and help deliver improved value for money, HMRC is obliged to publish tender documents for all contracts with a whole life value of over £10,000. There is a further obligation to publish all contracts with a whole life value of over £10,000 with effect from January 2011. It is a condition of bidding for this work that applicants accept these obligations and agree to the subsequent publication of the contract once awarded.

***Data handling***

In most cases, any data we supply will be encrypted, probably using the highest encryption used by Winzip v9 or above. It is your responsibility to ensure appropriate steps are taken to ensure you are able to receive and decrypt our data.

We also require confirmation at appropriate times of the deletion of customer records from both removable and fixed media within your organisation.

Please note that HMRC does not permit the use of USB sticks and so all electronic versions should be provided on CD.

Once appointed, you should agree with your HMRC contact what security rating any data or documentation you produce should have and how it subsequently should be handled.

As part of our standard data handling requirements, as part of your proposal we will require details of your plan to receive, store and use any data that we may supply to you. In most cases the data we supply to you will contain customers’ personal details and we need to be sure that you will treat this data appropriately.

This should include precise details of the data handling and security procedures you have in place. In particular, please detail how, once we have delivered the data to you, how you will transfer and store it and who in your organisation will be able to access it. You should also detail your processes for archival of and/or destroying the data that has been finished with. As an example this should include, what systems you have that are accessible from the internet, how access to the information is managed, and details of how your data servers are backed-up and maintained.

If you have supplied current information, this does not need to be provided again.

***Documentation***

HMRC will require the publishable report delivered in both pdf and word formats. The pdf document should include the file size as part of the filename.

In addition, HMRC will require draft copies of all key documents, such as recruitment questionnaires, presentation charts, top line and final report. These are to be submitted in sufficient time for comments to be incorporated into the final version and for our approval to be given for production of the final version to take place.

*NB ‘Personal’, ‘Confidential’ and ‘Commercial’ sensitive information has been redacted according to the provisions in the FOI Act (sections 40, 41 & 42).*